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Prepared by: Mike Ritz

Approved by: Christy L. Kinard
Assistant County Attorney

RESOLUTION REQUESTING THE COUNTY MAYOR AND OTHER COUNTY ELECTED OFFICIALS MAKE CERTAIN RECOMMENDATIONS RELATIVE TO THE PROPOSED BIENNIAL BUDGET SUBMITTED FOR FISCAL YEARS 2010 AND 2011 AND EXPRESSING THE DESIRE OF THE SHELBY COUNTY BOARD OF COMMISSIONERS RELATIVE TO THE RECOMMENDATIONS REQUESTED HEREIN. SPONSORED BY COMMISSIONER MIKE RITZ.

WHEREAS, The Proposed Biennial Budget for 2010 and 2011 provides for a FY2010 \$7,593,000 deficit of projected revenue less than projected expenses; and

WHEREAS, The Proposed Biennial Budget for 2010 and 2011 provides for a 3% across the board salary increase for FY2010 at an annual cost of \$6,700,000; and

WHEREAS, The City of Memphis has advised the Shelby County Mayor and the Shelby County Board of Commissioners that the City desires to discontinue its support of the Memphis and Shelby County Health Department and the Shelby County Administration has advised that amount equals \$14,300,000 for FY2010; and

WHEREAS, The Shelby County Administration also advised that the State of Tennessee has recently advised the County that a \$5,000,000 grant included in the proposed FY2010 revenue will not be forthcoming; and

WHEREAS, The Shelby County Assessor is not scheduled to provide the Shelby County Board of Commissioners with a Certified Tax Roll for the FY2010 budget until April 20, 2009; and

WHEREAS, The Shelby County Board of Commissioners needs to begin reviewing, before late April 2009, some more fiscally restrained budget and tax scenarios for FY2010 in order to efficiently and carefully make the final budget and tax decision for FY2010; and

WHEREAS, Some guidance and direction to the Shelby County Mayor and other Elected Officials from the Shelby County Board of Commissioners is necessary so the County Administration can provide the Shelby County Board of Commissioners some further budget information to review and consider; and

WHEREAS, The FY2010 Budget's overall shortfall at this time is \$26,893,000 (proposed \$7,593,000 FY2010 Budget deficit plus \$14,300,000 from the City's unwillingness to fund the Health Department, plus the State of Tennessee failing to provide a certain \$5,000,000 grant) which shortfall may escalate further due to additional State of Tennessee funding restrictions, the possibility that the January 1, 2009 Certified Tax Roll may be less than the prior Certified Tax Roll, additional budget requests may come from the two school boards, and other possible budget events may arise; and

WHEREAS, A reasonable target for the FY2010 County Budget is to avoid a property tax increase in order to protect the many taxpayers of Shelby County who have limited income, or who have or may have less 2009 income, or who may lose their current employment due to the economic issues facing our County citizens; and

WHEREAS, Most businesses in Shelby County are cutting payroll costs by reducing pay and/or eliminating jobs while trying their best to be profitable so they can survive; and

WHEREAS, Salary increases for County employees in this economic climate are not palatable with the taxpayers and citizens of Shelby County; and

WHEREAS, A salary freeze was implemented for County employees in FY2009, and such a freeze is apparently necessary for FY2010 in order to help reduce the overall County expenses for FY2010; and

WHEREAS, The County's operating budget should generally take precedence over capital budget needs except for building safety, security and integrity; and

WHEREAS, The County Commission, during the budget process for the FY2009 budget, made it abundantly clear to those few agencies receiving County grants that FY2009 may be the last year of such grants.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Shelby County Mayor and other County Elected Officials be and are hereby requested to recommend staffing reductions or other FY2010 budget reductions equal to \$20,193,000, which is the difference between the overall FY2010 Budget \$26,893,000 shortfall and the proposed FY2010 salary adjustment of \$6,700,000 by stating the specific savings or position reductions required to provide the necessary budget reductions requested herein, including, but not limited to, salary reductions, facility closings, and reallocation of grant resources.

BE IT FURTHER RESOLVED, That, based on preliminary estimates, the Shelby County Board of Commissioners hereby expresses its desire for these requested reductions to be based on the average \$58,341 total cost for every County position currently budgeted for FY2010 and the Division's and Elected Official's prorata share of the 4,123 General Fund and Internal Account positions per the attachment entitled "Proposed 2010 County Budget."

BE IT FURTHER RESOLVED, That the Shelby County Board of Commissioners hereby expresses its further desire that the necessary budget reductions requested for FY2010 be equivalent to 346 positions (\$20,193,000 or \$58,341 per position).

BE IT FURTHER RESOLVED, That the Shelby County Board of Commissioners finds that certain departments and functions of the General Fund impact may be too small to be affected by these requested reductions and that these 'small' departments and functions, which include the general fund part of Planning and Development, the Probate Clerk, the Divorce Referee, and the Jury Commission, be and are hereby exempted from the FY2010 budget reductions requested at this time.

BE IT FURTHER RESOLVED, That, because public safety is a priority of the community and the Shelby County Board of Commissioners recognizes that priority, the Attorney General, Public Defender and Judges, with the exception of Juvenile Court, be and are hereby exempted from the FY2010 budget reductions requested at this time.

BE IT FURTHER RESOLVED, That the remaining Divisions and Elected Officials be and are hereby requested to make recommendations relative to their respective budgets so that they are impacted for their prorata share of the General Fund employees against the total remaining General Fund employees after the above noted adjustments, essentially providing a budget reduction equivalent to 346 positions from the 3,855 General Fund positions of the impacted Divisions and Elected Officials.

BE IT FURTHER RESOLVED, That the Shelby County Mayor be and is hereby requested to make recommendations for the FY2010 and FY2011 budgets so as to reduce 'pay as you go' capital projects.

BE IT FURTHER RESOLVED, That the Shelby County Mayor be and is hereby requested to recommend a reduction in, or elimination of, County grants for those agencies receiving FY2009 County grants.

BE IT FURTHER RESOLVED, That the Shelby County Board of Commissioners hereby expresses its desire for the Shelby County Mayor to find further savings in his Special Revenue and Enterprise Fund functions to avoid fee increases and assure equitable treatment of all Shelby County employees.

BE IT FURTHER RESOLVED, That the Shelby County Board of Commissioners hereby expresses its desire that to the extent that positions must be reduced they be reduced based on merit and in accordance with the County's layoff policy and that the "last in – first out" philosophy and policy not be the primary method to reduce County employment.

BE IT FURTHER RESOLVED, That the Shelby County Mayor be and is hereby requested to make recommendations to the Shelby County Board of Commissioners, no later than March 15, 2009, for creating a balanced budget recognizing no City funding for the Memphis and Shelby County Health Department, no salary adjustments for FY2010, and without the certain \$5,000,000 grant from the State of Tennessee, and other cost saving policies going forward for Shelby County.

BE IT FURTHER RESOLVED, That this resolution shall take effect immediately, the public welfare requiring the same.

A C Wharton, Jr., County Mayor

Date: _____

ATTEST:

Clerk of County Commission

ADOPTED: _____